

**House File 45 - Introduced**

HOUSE FILE 45  
BY OSMUNDSON

**A BILL FOR**

1 An Act relating to special registration plates displaying a  
2 decal of a nonprofit veterans' organization.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 321.34, subsection 13, paragraph b,  
2 subparagraph (1), subparagraph division (c), Code 2023, is  
3 amended to read as follows:

4 (c) The organization is a nonprofit corporation which is  
5 exempt from federal income taxation under section 501(c)(3) or  
6 501(c)(19) of the Internal Revenue Code and is organized under  
7 the laws of this state or authorized to do business within this  
8 state.

9 EXPLANATION

10 The inclusion of this explanation does not constitute agreement with  
11 the explanation's substance by the members of the general assembly.

12 Under current law, the department of transportation (DOT) is  
13 authorized to issue special registration plates with a space  
14 to display an organization decal. The DOT does not issue the  
15 organization decal. Instead, the organization is responsible  
16 for producing, administering, and issuing the decal.

17 An organization must submit an application to the DOT  
18 for approval to issue a decal. An application must include  
19 proof of eligibility to issue the decal, a color copy of the  
20 completed decal design, a clear and concise explanation of  
21 the purpose of the decal, all eligibility requirements for  
22 purchasing the decal, and the fees to be charged for the decal.  
23 To qualify for approval, the primary activity or interest  
24 of the organization must serve the community, contribute to  
25 the welfare of others, and cannot be discriminatory in its  
26 purpose, nature, activity, or name; the name and purpose of the  
27 organization cannot promote any specific product or brand name  
28 that is provided for sale; and the organization is required to  
29 be a nonprofit corporation which is exempt from taxation under  
30 section 501(c)(3) of the Internal Revenue Code and organized  
31 under Iowa's laws or authorized to do business within Iowa.

32 This bill authorizes an organization which is exempt under  
33 section 501(c)(19) of the Internal Revenue Code to apply  
34 for approval to issue an organization decal. To be exempt  
35 under section 501(c)(19), an organization must be a post or

1 organization of past or present members of the United States  
2 armed forces, an auxiliary unit or society of such post  
3 or organization, or a trust or foundation for such post or  
4 organization.